

Wisconsin Shares
Child Care Subsidy Program for Working Families

A FACT SHEET FOR CHILD CARE PROVIDERS AND PARENTS



TOP THREE FACTS

- A printed **Child Care Authorization** is the **only** valid agreement that the provider will be paid. It describes the dates for which care will be paid, the **maximum** number of hours authorized, and the payment amount. Providers who accept children without a valid Authorization have no guarantee they will receive payment from the Child Care Subsidy Program.
- A correctly completed **Child Care Attendance Report** submitted to the local child care unit **or attendance entered via the Internet/Web** are the only ways to receive payment. Payment will not begin until the children have actually attended the center or home.
- The local county or tribal child care unit, usually part of the Department of Human Services or Social Services, can provide more facts and answer questions. They should be contacted in regard to specific questions about Authorizations, Attendance Reports, and payment amounts.



CHILD CARE SUBSIDY PROGRAM BASICS

Wisconsin’s Child Care Subsidy program, sometimes called “W-2 Child Care”, helps families pay for child care.

Who’s Eligible?

All low-income working families, including families in W-2 approved activities, with income at or below 185% of poverty may be eligible. Once found eligible, the family may continue to receive assistance until their income exceeds 200% of poverty.

How Much Is the Subsidy Payment?

The amount of Child Care Subsidy depends on the maximum reimbursement rates set in each county and tribal area. Payment to providers is determined by the reimbursement rate minus the parent share, sometimes called the parent co-payment. Parent co-payments follow a sliding fee schedule set by the State.

Where Do Parents Get the Subsidy?

Application for the Child Care Subsidy is a two-step process: eligibility determination and authorization of child care. In most counties/tribes, parents apply for child care subsidy at the county/tribal Human Services Department.



HOW THE PROGRAM WORKS FOR PROVIDERS

How Are Providers Chosen?

Providers are selected by parents. Parents who use the Child Care Subsidy program must select regulated providers (licensed by the state, certified by the county/tribe, or operated by a public school board). If a parent chooses a relative or friend who isn’t regulated, the person may become certified by the local county or tribal child care certifier. Parents can find out about providers and how to choose care from a Child Care Resource and Referral agency by calling 1-888-713-5437.

Who Pays the Provider? How Do Providers Know They’ll Be Paid?

The Child Care Subsidy is paid to the child care provider by the state. The payments are generally made through Electronic Fund(s) Transfer (EFT) directly to the provider’s bank account, or in some cases by a check mailed to the provider. Payment is made **only** if there is a **Child Care Authorization** issued by a local county or tribal child care unit and a **Child Care Attendance Report** has been completed by the child care provider, and submitted back to the child care agency, **or the attendance is reported via the Internet/Web**. Payment(s) can be made only to a regulated child care provider, or to a program run by a public school. Payment cannot be made if a license or certificate has not yet been issued or if it was suspended or revoked at the time service was provided.

(More Facts on the Other Side!)

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• How Do Providers Bill for Payment?

Providers receive pre-printed Child Care Attendance Report forms in the mail for each authorized child for each two-week attendance period. The provider records the **actual** hours of care provided each day during the period, along with the weekly totals, and returns the report to the tribal or county agency, or enters the attendance via the Internet/Web. Payments are usually issued within 15 working days after the Attendance Report is received by the local agency. Information about the web attendance reporting can be found at <http://www.dwd.state.wi.us/dws/programs/childcare/ccpi/default.htm>.



RATES AND COPAYMENTS

• Does the Child Care Subsidy Program Pay the Full Fee Charged by the Provider?

For most providers, the Child Care Subsidy plus the parent co-payment equals the provider's full fee. Payments are based on the agency maximum rate or the provider's regular fee, whichever is less.

• How Much Will Providers Be Paid?

When parents enroll their child with a center or family child care home, and are eligible for child care assistance, an Authorization is sent to both the parent and the provider. The Authorization shows the Child Care Subsidy amount which will be paid to the provider. Any additional payment owed to the provider, including the parents' state-calculated co-payment and provider fees in excess of the maximum rate, is the responsibility of the parent.

• How Do County and Tribal Rates for the Child Care Subsidy Program Work?

Each local agency establishes maximum rates, based on an annual survey of licensed providers. Providers report their regular weekly fees (the fees charged to private-paying families). Maximums are set at the 75th percentile (the cost at which 75% of the spaces can be purchased). There are 4 age categories:

Birth through age 1	Age 4 through age 5 (5 years and 11 months)
Age 2 through 3 (3 years and 11 Months)	Age 6 years and older

Regular certified care rates are 75% of licensed family; provisionally certified rates are 50% of licensed family; accredited care rates are 10% more than other care, up to the provider's regular fee.

Current Approved Child Care Rates may be requested from the local child care agency. For licensed care, part-time rates are hourly rates. When hourly payments reach the county weekly maximum or the provider's regular full-time rate, the rate becomes a weekly rate. For certified care, all rates are hourly.

A special rate may be negotiated for a child who needs services beyond those normally provided, such as a child with an extreme medical condition. At the discretion of the local child care agency, the Child Care Subsidy program will pay a one-time registration fee for each child, provided the fee is normally charged by the child care provider.

• Are Providers Paid When Children Are Absent?

There are two ways of authorizing payment: **enrollment** or **attendance**. Using **enrollment**, payment is a set weekly amount for the time the child is initially approved, regardless of variations in attendance. Using **attendance**, payment is for the time the child attends, up to the maximum time stated in the authorization. The enrollment method is used for most licensed care. The attendance method is used for all certified care and when the need for licensed care varies greatly from week to week.

• How Much Does the Parent Pay?

The co-payment is a weekly amount, based on gross monthly family income, family size, number of children in care, and whether the parent uses licensed or certified care. The local agency computes the co-payment based on the State sliding fee schedule and subtracts it from the maximum reimbursement to arrive at the Child Care Subsidy payment. In addition to the co-payment, there may be provider fees which are higher than the county maximum, costs for care provided beyond the hours authorized or special fees not paid by the Child Care Subsidy program. Any costs owed to the provider which are not shown as the Agency Payment on the authorization are the responsibility of the parent.

• Who Collects the Parent Share?

The child care provider collects parent payments. In general, collection should follow the provider's established policies. Some local W-2 agencies and/or county child care workers may want to be informed when parents fail to make co-payments. However, W-2 agencies, county and tribal agencies, and the state are not required to take any action when co-payments are not paid.

The Child Care Subsidy Program is supervised by the state Office of Child Care (OCC). Questions which cannot be resolved locally may be sent to OCC at, P.O. Box 7972, Madison, WI 53701-7972, (608) 261-4580.